

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.2406 Required filings by insurers; exception; supporting information; notice; public inspection; becoming member of or subscriber to licensed rating organization; rates and rating systems regarding worker's compensation insurance; filings; certification.

Sec. 2406. (1) Except for worker's compensation insurance, every insurer shall file with the commissioner every manual of classification, every manual of rules and rates, every rating plan, and every modification of any of the foregoing that it proposes to use. Every such filing shall state the proposed effective date thereof and shall indicate the character and extent of the coverage contemplated. If a filing is not accompanied by the information upon which the insurer supports the filing, and the commissioner does not have sufficient information to determine whether the filing meets the requirements of this chapter, the commissioner shall within 10 days of the filing give written notice to the insurer to furnish the information upon which it supports the filing. The information furnished in support of a filing may include the experience or judgment of the insurer or rating organization making the filing, its interpretation of any statistical data it relies upon, the experience of other insurers or rating organizations, or any other relevant factors. A filing and any supporting information shall be open to public inspection after the filing becomes effective.

(2) Except for worker's compensation insurance, an insurer may satisfy its obligation to make such filings by becoming a member of, or a subscriber to, a licensed rating organization that makes such filings, and by filing with the commissioner a copy of its authorization of the rating organization to make such filings on its behalf. Nothing contained in this chapter shall be construed as requiring any insurer to become a member of or a subscriber to any rating organization.

(3) For worker's compensation insurance in this state the insurer shall file with the commissioner all rates and rating systems. Every insurer that insures worker's compensation in this state on the effective date of this subsection shall file the rates not later than the effective date of this subsection.

(4) Except as provided in subsection (3) and as otherwise provided in this subsection, the rates and rating systems for worker's compensation insurance shall be filed not later than the date the rates and rating systems are to be effective. However, if the insurer providing worker's compensation insurance is controlled by a nonprofit health care corporation formed pursuant to the nonprofit health care corporation reform act, Act No. 350 of the Public Acts of 1980, being sections 550.1101 to 550.1704 of the Michigan Compiled Laws, the rates and rating systems that it proposes to use shall be filed with the commissioner not less than 45 days before the effective date of the filing. These filings shall be considered to meet the requirements of this chapter unless and until the commissioner disapproves a filing pursuant to section 2418 or 2420.

(5) Each filing under subsections (3) and (4) shall be accompanied by a certification by the insurer that, to the best of its information and belief, the filing conforms to the requirements of this chapter.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1970, Act 180, Imd. Eff. Aug. 3, 1970;—Am. 1982, Act 7, Eff. Jan. 1, 1983;—Am. 1993, Act 200, Eff. Dec. 28, 1994.

Compiler's note: Section 3 of Act 200 of 1993 provides as follows:

"Section 3. This amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws."

Popular name: Act 218